

Tacoma Narrows Toll Bridge Account (511)

Draft Financial Plan - February 12, 2009

Base Case (CAC Toll Rate Recommendation) - No change to current toll rate in FY10. FY11 rate assumes no ETC, consistent with the November 2008 Adopted Forecast.  
(in thousands)

| Fiscal Year   |  | 2003    | 2004    | 2005     | 2006    | 2007     | 2008          | Current<br>2009 | 2010          | 2011          | Total<br>Through<br>2011 |
|---|--|---------|---------|----------|---------|----------|---------------|-----------------|---------------|---------------|--------------------------|
| Toll Rate (ETC/Cash)  |  |         |         |          |         |          | \$1.75/\$3.00 | \$2.75/\$4.00   | \$2.75/\$4.00 | \$4.00/\$4.00 |                          |
| Beginning Fund Balance  |  | -       | 36,524  | 34,597   | 17,076  | 44,846   | 18,095        | 9,995           | 13,768        | 8,696         |                          |
| Operations  | Operations   |         |         |          |         |          |               |                 |               |               |                          |
|   | Sources of Funds   |         |         |          |         |          |               |                 |               |               |                          |
|   | Interest Earnings from Tacoma Narrows Account (511)* †   | -       | -       | -        | 10      | 59       | 250           | 251             | 138           | 215           | 923                      |
|   | Interest Earnings from Toll Collections Account (495)* † | -       | -       | -        | -       | -        | 3             | 96              | 96            | 96            | 291                      |
|   | Donations*   | -       | -       | -        | -       | -        | 102           | -               | -             | -             | 102                      |
|   | Toll Revenue   | -       | -       | -        | -       | -        | 29,960        | 44,551          | 45,192        | 60,814        | 180,517                  |
|   | Transponder Revenue                                      | -       | -       | -        | -       | -        | 760           | 557             | 580           | 595           | 2,492                    |
|   | Violation Revenue  | -       | -       | -        | -       | -        | 467           | 550             | 550           | 550           | 2,117                    |
|   | Miscellaneous Revenue‡                                   | -       | -       | -        | -       | 913      | 178           | -               | -             | -             | 1,090                    |
|   | Debt Service Withholding*                                | -       | -       | -        | -       | -        | (14,689)      | (26,915)        | (34,925)      | (44,955)      | (121,484)                |
|   | Transfers from/(to) Other Accounts* #                    | -       | -       | -        | 1,300   | 5,288    | -             | -               | -             | (5,288)       | 1,300                    |
|   | Total Sources of Funds for Operations                    | -       | -       | -        | 1,310   | 6,260    | 17,030        | 19,090          | 11,631        | 12,027        | 67,347                   |
|   | Uses of Funds *  |         |         |          |         |          |               |                 |               |               |                          |
|   | WSDOT Oversight & Admin. of Toll Operations              | -       | -       | -        | 171     | 1,321    | 2,005         | 1,534           | 1,773         | 1,942         | 8,746                    |
|   | Toll Systems Operations (TransCore Contract)             | -       | -       | -        | 368     | 3,428    | 9,852         | 7,739           | 7,747         | 7,913         | 37,047                   |
|   | Maintenance of New Bridge                                | -       | -       | -        | -       | -        | 103           | 1,445           | 831           | 841           | 3,220                    |
|   | Preservation of New Bridge, Roadway & Toll Systems       | -       | -       | -        | -       | -        | -             | 417             | 136           | 546           | 1,099                    |
|   | Enforcement and Security                                 | -       | -       | -        | -       | -        | 746           | 456             | 342           | 342           | 1,886                    |
|   | Insurance  | -       | -       | -        | -       | -        | 2,680         | 1,345           | 3,455         | 3,529         | 11,009                   |
|   | Total Uses of Funds for Operations                       | -       | -       | -        | 539     | 4,749    | 15,386        | 12,936          | 14,284        | 15,113        | 63,007                   |
|   | Current Year Balance for Operations (Sources - Uses)     | -       | -       | -        | 771     | 1,511    | 1,644         | 6,154           | (2,653)       | (3,086)       | 4,340                    |
| Capital   | Capital  |         |         |          |         |          |               |                 |               |               |                          |
|   | Sources of Funds   |         |         |          |         |          |               |                 |               |               |                          |
|   | Interest Earnings †                                      | 2,125   | 1,239   | 774      | 1,522   | 1,795    | 805           | 344             | 77            | -             | 8,681                    |
|   | Bond Proceeds  | 231,207 | 197,234 | 108,634  | 111,986 | 16,002   | 12,716        | -               | -             | -             | 677,780                  |
|   | Capitalized Interest (Debt Service)                      | -       | -       | -        | (1,792) | (2,580)  | -             | -               | -             | -             | (4,372)                  |
|   | Charges for Services                                     | -       | -       | 4        | 2       | 145      | -             | -               | -             | -             | 152                      |
|   | Transfers from/(to) Other Accounts                       | 39,000  | -       | -        | -       | -        | -             | -               | -             | -             | 39,000                   |
|   | Total Sources of Funds for Capital                       | 272,332 | 198,473 | 109,412  | 111,719 | 15,362   | 13,522        | 344             | 77            | -             | 721,240                  |
|   | Uses of Funds  |         |         |          |         |          |               |                 |               |               |                          |
|   | Capital Expenditures                                     | 235,808 | 200,400 | 127,046  | 84,720  | 43,623   | 23,319        | 2,726           | 2,496         | -             | 720,138                  |
|   | Other Uses of Funds‡                                     | -       | -       | (113)    | -       | -        | (54)          | -               | -             | -             | (167)                    |
|   | Total Uses of Funds for Capital                          | 235,808 | 200,400 | 126,933  | 84,720  | 43,623   | 23,266        | 2,726           | 2,496         | -             | 719,971                  |
|   | Current Year Balance for Capital (Sources - Uses)        | 36,524  | (1,927) | (17,521) | 26,999  | (28,262) | (9,744)       | (2,382)         | (2,419)       | -             | 1,269                    |
| Ending Fund Balance   |  | 36,524  | 34,597  | 17,076   | 44,846  | 18,095   | 9,995         | 13,768          | 8,696         | 5,610         |                          |
| Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue                      |  |         |         |          |         |          |               |                 | 19.2%         | 9.2%          |                          |
| Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service |  |         |         |          |         |          | 111.2%        | 122.9%          | 92.4%         | 93.1%         |                          |

\* For GAAP purposes, Interest Earnings, Donations, Debt Service and Transfers displayed as Operations Sources of Funds are considered to be Nonoperating Activities.

† Interest income displayed is net of the cost of investment activities.

‡ Includes contractor liquidated damages for late project delivery and \$3k of other revenue, such as NSF check charges.

# The repayment of \$5.288m to the Motor Vehicle Account is included in the Governor's 2009-11 Proposed Budget. There is no direction as to whether the transfer be made in FY10 or FY11.

+ Uses of Funds for Operations reflects the Governor's 2009-11 Proposed Budget.

± Includes prior period recoveries.

Tacoma Narrows Toll Bridge Account (511)  
Toll Rate Scenarios - February 12, 2009  
(Includes Violation Revenue, Payback to Motor Vehicle Account in FY11)  
(in thousands)

|   |  | Base Case<br>CAC Recommendation |               | Scenario 1    |               | Scenario 2    |               | Scenario 3    |               |
|---|--|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Fiscal Year   |  | 2010                            | 2011          | 2010          | 2011          | 2010          | 2011          | 2010          | 2011          |
| Toll Rate (ETC/Cash)  |  | \$2.75/\$4.00                   | \$4.00/\$4.00 | \$2.75/\$4.00 | \$3.75/\$5.00 | \$3.00/\$4.00 | \$4.00/\$4.00 | \$3.00/\$4.00 | \$4.00/\$5.00 |
| Beginning Fund Balance  |  | 13,768                          | 8,696         | 13,768        | 8,696         | 13,768        | 11,134        | 13,768        | 11,134        |
| Operations  | Operations   |                                 |               |               |               |               |               |               |               |
|   | Sources of Funds   |                                 |               |               |               |               |               |               |               |
|   | Interest Earnings from Tacoma Narrows Account (511)* †   | 138                             | 215           | 138           | 215           | 138           | 215           | 138           | 215           |
|   | Interest Earnings from Toll Collections Account (495)* † | 96                              | 96            | 96            | 96            | 96            | 96            | 96            | 96            |
|   | Donations*   | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Toll Revenue   | 45,192                          | 60,814        | 45,192        | 61,214        | 47,630        | 60,814        | 47,630        | 63,751        |
|   | Transponder Revenue                                      | 580                             | 595           | 580           | 595           | 580           | 595           | 580           | 595           |
|   | Violation Revenue  | 550                             | 550           | 550           | 550           | 550           | 550           | 550           | 550           |
|   | Miscellaneous Revenue‡                                   | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Debt Service Withholding*                                | (34,925)                        | (44,955)      | (34,925)      | (44,955)      | (34,925)      | (44,955)      | (34,925)      | (44,955)      |
|   | Transfers from/(to) Other Accounts* #                    | -                               | (5,288)       | -             | (5,288)       | -             | (5,288)       | -             | (5,288)       |
|   | Total Sources of Funds for Operations                    | 11,631                          | 12,027        | 11,631        | 12,427        | 14,069        | 12,027        | 14,069        | 14,964        |
|   | Uses of Funds +  |                                 |               |               |               |               |               |               |               |
|   | WSDOT Oversight & Admin. of Toll Operations              | 1,773                           | 1,942         | 1,773         | 1,942         | 1,773         | 1,942         | 1,773         | 1,942         |
|   | Toll Systems Operations (TransCore Contract)             | 7,747                           | 7,913         | 7,747         | 7,913         | 7,747         | 7,913         | 7,747         | 7,913         |
|   | Maintenance of New Bridge                                | 831                             | 841           | 831           | 841           | 831           | 841           | 831           | 841           |
|   | Preservation of New Bridge, Roadway & Toll Systems       | 136                             | 546           | 136           | 546           | 136           | 546           | 136           | 546           |
|   | Enforcement and Security                                 | 342                             | 342           | 342           | 342           | 342           | 342           | 342           | 342           |
|   | Insurance  | 3,455                           | 3,529         | 3,455         | 3,529         | 3,455         | 3,529         | 3,455         | 3,529         |
|   | Total Uses of Funds for Operations                       | 14,284                          | 15,113        | 14,284        | 15,113        | 14,284        | 15,113        | 14,284        | 15,113        |
| Current Year Balance for Operations (Sources - Uses)                                  |  | (2,653)                         | (3,086)       | (2,653)       | (2,686)       | (215)         | (3,086)       | (215)         | (149)         |
| Capital   | Capital  |                                 |               |               |               |               |               |               |               |
|   | Sources of Funds   |                                 |               |               |               |               |               |               |               |
|   | Interest Earnings †                                      | 77                              | -             | 77            | -             | 77            | -             | 77            | -             |
|   | Bond Proceeds  | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Capitalized Interest (Debt Service)                      | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Charges for Services                                     | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Transfers from/(to) Other Accounts                       | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Total Sources of Funds for Capital                       | 77                              | -             | 77            | -             | 77            | -             | 77            | -             |
|   | Uses of Funds  |                                 |               |               |               |               |               |               |               |
|   | Capital Expenditures                                     | 2,496                           | -             | 2,496         | -             | 2,496         | -             | 2,496         | -             |
|   | Other Uses of Funds±                                     | -                               | -             | -             | -             | -             | -             | -             | -             |
|   | Total Uses of Funds for Capital                          | 2,496                           | -             | 2,496         | -             | 2,496         | -             | 2,496         | -             |
| Current Year Balance for Capital (Sources - Uses)                                     |  | (2,419)                         | -             | (2,419)       | -             | (2,419)       | -             | (2,419)       | -             |
| Ending Fund Balance   |  | 8,696                           | 5,610         | 8,696         | 6,009         | 11,134        | 8,048         | 11,134        | 10,985        |
| Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue                      |  | 19.2%                           | 9.2%          | 19.2%         | 9.8%          | 23.4%         | 13.2%         | 23.4%         | 17.2%         |
| Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service |  | 92.4%                           | 93.1%         | 92.4%         | 94.0%         | 99.4%         | 93.1%         | 99.4%         | 99.7%         |

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